

**APPROVED**

REPORT OF GENERAL MANAGER

NO. 09-098

DATE April 15, 2009

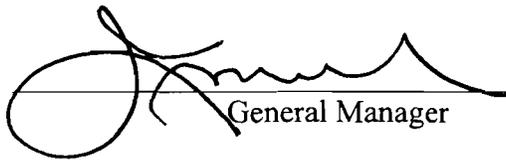
APR 15 2009  
**BOARD OF RECREATION  
and PARK COMMISSIONERS**

C.D. 10

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: RANCHO CIENEGA SPORTS COMPLEX TENNIS PROFESSIONAL –  
AWARD OF CONCESSION AGREEMENT TO RICHARD P. WILLIAMS  
DBA RANCHO CIENEGA TENNIS SHOP

R. Adams	_____	J. Kolb	_____
H. Fujita	_____	*F. Mok	<u>B.M.</u>
S. Huntley	_____	K. Regan	_____
V. Israel	_____	M. Shull	_____

  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Approve the proposed Concession Agreement between the City of Los Angeles and Richard P. Williams dba Rancho Cienega Tennis Shop for the operation and maintenance of the Rancho Cienega Sports Complex Tennis Professional Concessions, for a term of five (5) years with two (2) five-year renewal options exercisable at the General Manager's sole discretion, substantially in the form on file in the Board Office, subject to the approval of the Mayor, City Council, and the City Attorney as to form;
2. Waive informalities, in accordance with Charter Section 371(c) and Los Angeles Administrative Code Section 10.15(c), for the proposal submitted by Richard P. Williams dba Rancho Cienega Tennis Shop;
3. Find, in accordance with Charter Section 1022, that the Department does not have personnel available in its employ with sufficient time and expertise to undertake these specialized professional tasks and that it is more feasible to secure these services by contract;
4. Find, in accordance with Charter Section 371(e)(10) and Los Angeles Administrative Code Section 10.15(a)(10), that the use of competitive bidding would be undesirable, impractical or otherwise excused by the common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by the Department for the improvement, operation and maintenance of the Department's concession. In order to select

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the best proposer for this concession, the Board finds it is necessary to utilize a standard request for proposals process and to evaluate proposals received based upon the criteria included in the Request for Proposals (RFP). Also find that the narrower and more specialized competitive sealed proposal process authorized but not required by Charter Section 371, subsection (b), would not meet the Department's needs and therefore opts to utilize the standard request for proposals process;

5. Direct the Board Secretary to transmit the proposed Concession Agreement, concurrently, to the Mayor in accordance with Executive Directive No. 3 and to the City Attorney for approval as to form; and,
6. Authorize the Board President and Secretary to execute the Concession Agreement upon receipt of the necessary approvals.

### SUMMARY:

The Rancho Cienega Sports Complex is located at 5001 Rodeo Road, Los Angeles, CA 90016. The center includes an auditorium, indoor and outdoor basketball courts, a baseball diamond, and a football/soccer field, and is adjacent to the Jackie Robinson Stadium. The stadium is used for track & field, concerts, and special events. The Rancho Cienega Sports Complex Tennis Professional Concession (Concession) provides professional tennis lessons to patrons, and maintains and operates the tennis professional shop.

The Concession has been operated by Richard P. Williams under a thirty-day revocable permit since October 2, 1995. The Concession currently pays a flat fee of \$200 per month for rent and \$25 per month for utilities to the Department.

On May 21, 2008, the Board approved the release of an RFP (Board Report No. 08-139) for the Rancho Cienega Sports Complex Tennis Professional. The RFP was released on August 14, 2008 and was advertised in several periodicals; available on the Department's website; and posted on the Los Angeles Business Assistance Virtual Network (BAVN). In addition, a letter inviting bids was mailed to over one hundred organizations and individuals from a mailing list maintained by the Concessions Unit.

On September 23, 2008, a Pre-Proposal Conference was held at the Central Service Yard. A walk-through of the premises was conducted on September 30, 2008. Four addendums to the RFP were released in order to allow additional time for potential proposers to prepare the necessary documents in order to submit.

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On December 16, 2008, only one proposal was received, which was from Richard P. Williams dba Rancho Cienega Tennis Shop.

As stipulated in the RFP, evaluation of the bid proposals was to occur in two levels. Level I would be a check and review for required compliance and submittal documents and Level II would be a comprehensive evaluation of the proposal. Proposers must successfully pass the first level to proceed to the next level.

Staff performed a Level I review of the following required documents:

Compliance Documents:

- 1) Proposer's Signature Declaration and Affidavit
- 2) Disposition of Proposals
- 3) Affirmative Action Plan
- 4) Good Faith Effort Subcontractor Outreach
- 5) Living Wage Ordinance/Service Contractor Worker Retention Ordinance
- 6) Contractor Responsibility Ordinance Statement
- 7) Equal Benefits Ordinance Statement
- 8) CEC Form 50

Submittal Documents:

- 1) Cover Letter
- 2) Proposal Deposit
- 3) Ability to Finance
- 4) Background and Experience
- 5) Business Plan
- 6) Rent Payment
- 7) On-Going Refurbishment, Improvements, and Maintenance
- 8) Concession Improvements

Proposals are either Responsive (pass) or Non-Responsive (fail). The following is the complete Level I findings:

Richard P. Williams dba Rancho Cienega Tennis Shop was found Responsive in all eight compliance documents and Non-Responsive in two of the eight submittal documents (Attachment A).

As this was the only proposal, staff consulted with the City Attorney and it was advised that the proposer could provide additional material in order for staff to evaluate and if found to be a responsible proposal, the Board may elect to consider the only proposal submitted and award a contract.

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On February 10, 2009, staff sent a letter to Mr. Richard P. Williams to provide the missing submittal information. On February 24, 2009, the information was provided to the Concessions Unit. Staff reviewed the proposal and found that, as the incumbent operator, Mr. Richard P. Williams dba Rancho Cienega Tennis Shop, possesses the necessary experience and background and financial ability to successfully operate the concession.

Staff has reviewed the submittal documents, verified background and experience, and reviewed financial documents. It is recommended that the Concession Agreement be awarded to Richard P. Williams dba Rancho Cienega Tennis Shop as the interim operator for the Rancho Cienega Sports Complex Tennis Professional Concession.

Under the terms of the Concession Agreement, Richard P. Williams dba Rancho Cienega Tennis Shop will pay twelve percent (12%) of the gross receipts produced by all tennis lessons and fifteen percent (15%) of the gross receipts produced by all tennis professional shop sales (goods and services) as rent to the Department. The Concessionaire will also pay fifty dollars (\$50.00) a month for utilities until separate meters are installed at the location. While the RFP originally required the selected operator to pay two hundred and fifty dollars (\$250.00) per month for utilities, staff has reviewed the usage and has determined this amount to be excessive and recommends the Concessionaire pay the adjusted amount in exchange for utilities.

### Charter Section 1022

Los Angeles City Charter Section 1022 prohibits contracting out work that could be done by City employees unless the Board determines it is more economical and/or feasible to contract out the service.

On March 21, 2008, the Personnel Department completed a Charter Section 1022 review (Attachment B) and determined that the Department had City classifications which met the minimum qualifications to provide tennis lessons to the public. However, the quality of the lessons and the ability to independently manage a tennis program on a day-to-day basis requires expertise that a Park Service Attendant, Recreation Assistant, or a Recreation Instructor is unable to provide. The tennis instructors are required to hold certification from the United States Professional Teachers. Compensation at the rate of the City classifications would make it extremely difficult to find and retain qualified instructors; therefore, it would be more feasible to contract out the service to ensure a sufficient level of instruction to meet the needs of the public.

### FISCAL IMPACT STATEMENT:

It is estimated that during the five year term of this concession agreement, the Department will receive approximately \$25,348 in rent. Of that amount, \$22,814 will be deposited into the Department's General Fund and \$2,534 will be deposited into the Concession Improvement Account.

Report prepared by Shaun Larsuel, Management Analyst II, Concessions Unit, Administrative Resources Section, Finance Division.

**RICHARD WILLIAMS  
RANCHO CIENEGA TENNIS PROFESSIONAL RFP  
LEVEL I EVALUATION**

<b>I. Compliance Documents</b>		<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
1.	Affidavit of Non-Collusion	Yes	Yes	
2.	Disposition of Proposals	Yes	Yes	
3.	Affirmative Action Plan	Yes	Yes	
4.	Contractor Responsibility Questionnaire	Yes	Yes	
5.	Equal Benefits Ordinance Statement	Yes	Yes	
6.	Living Wage/Service Contract Worker Retention Ordinance Forms	N/A	N/A	Exemption was not requested.
7.	Good Faith Effort Outreach	Yes	Yes	
8.	CEC Form 50	Yes	Yes	

<b>II. Submittal Documents</b>		<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
9.	Cover Letter	Yes	Yes	
10.	Proposal Deposit	Yes	Yes	
11.	Ability to Finance	Yes	No	No bank statements or credit rating reports was submitted <b>(Section 1.3.1)</b>
12.	Background Experience	Yes	No	No information on past revenues was submitted <b>(Section 2.2.2)</b>
13.	Proposed Rental Percentage	Yes	Yes	
14.	On-Going Refurbishment, Improvements, and Maintenance	Yes	Yes	
15.	Concession Improvements	Yes	Yes	

# PERSONNEL DEPARTMENT CONTRACT REVIEW REPORT

ATTACHMENT B

1. Requesting Department: Recreation and Parks

2. Contacts

Department: Robert Morales Phone | (818) 243-6421 Fax No. (818) 243-6451  
 CAO: Veronica Salumbides Phone | (213) 473-7561 Fax No. (213) 473-7514

3. Work to be performed:

The Department of Recreation and Parks is seeking a vendor to provide professional tennis instruction and operate the tennis professional shop at the Rancho Cienega Recreation Center. The services to be provided consist of: top-quality instruction, including private and group lessons; junior programs; and may provide other tennis-related services such as racquet stringing and selling tennis merchandise. In addition, the Department expects the contractor to optimize visitor participation; assess, provide and install any necessary furnishings or equipment; and display awareness of the demographics and special needs of the community.

4. Is this a contract renewal? Yes  No

5. Proposed length of contract: 5 years Proposed Start Date: January 2009

6. Proposed cost of contract (if known): \$75,000 (gross revenue generating)

7. Name of proposed contractor: Unknown

8. Unique or special qualifications required to perform the work:

Knowledge of the rules and regulations for the game of tennis and experience in providing tennis instruction, racquet stringing, etc. All instructors must be Certified United States Professional Teachers.

9. Are there City employees that can perform the work being proposed for contracting?

Yes  No  Some of the work

If yes,

a. Which class(es) and Department(s): \_\_\_\_\_

<b>Class</b>	<b>Departments</b>	<b>Eligible list expires</b>
Park Service Attendant	El Pueblo, Rec & Parks, Zoo	No list
Recreation Assistant	Rec & Parks	No list

- b. Is there sufficient Department staff available to perform the work? Yes  No
- c. Is there a current eligible list for the class(es)? Yes  No  Expiration Date See above
- d. Estimated time to fill position(s) through CSC process? Unknown
- e. Can the requesting department continue to employ staff hired for the project after project completion? Yes  No
- f. Are there City employees currently performing the work? Yes  No

10. Findings

- City employees DO NOT have the expertise to perform the work
- City employees DO have the expertise to perform some of the work

Check if applicable (explanation attached) and send to CAO for further analysis

- Project of limited duration would have to layoff staff at end of project
- Time constraints require immediate staffing of project
- Work assignment exceeds staffing availability

**SUMMARY:** A Park Service Attendant and Recreation Assistant can perform some of the work described above. For instance, the sale of tennis merchandise can be done by a Park Service Attendant. A Recreation Assistant can assist in the delivery of services and employ specialized skills, such as racquet stringing. However, the City does not require Recreation Instructors to be Certified United States Professional Teachers.

Submitted by:   
Dominique Camaj

Reviewed by:   
Shelly Del Rosario

Approved by:   
Shannon C. Pascual

Date: 3/21/08